Nation's Housing Recovery Far From Equal

Responsible Lending

Charlene Crowell

With the annual holiday season approaching, many across the country will soon be celebrating with families and loved ones. Many such gatherings will toast the season and its blessings.

But for families still troubled by delinquent mortgages and foreclosures, this time of year has another meaning. These consumers are wondering if they will have a home this holiday season. Although September 2013 marked the 23rd consecutive monthly drop in the nation's foreclosures, approximately 902,000 homes remained in some state of foreclosure.

Additionally, mortgage delinquencies, the omen of the likelihood of foreclosure, has troubled states and metro areas, according to new data released by CoreLogic, a leading residential property information, analytics and services provider.

On the foreclosure front, 51,000 foreclosures were completed in September. Since the September 2008 onset of the housing crisis, 4.6 million foreclosures have occurred nationwide. By comparing September 2012 foreclosures to those of last month, the nation saw a 39 percent decline or 448,000 fewer lost homes.

But if you live in Florida, California, Texas, Michigan or Georgia – you are a resident of one of the five states with the highest number of completed foreclosures during the past 12 months. In fact, these states accounted for almost half of all completed foreclosures nationally. Florida alone had 115,312 completed foreclosures.

North Carolina (27,135), Arizona (24,269), Washington (20,547), Tennessee (19,710), Missouri (13,654) and Virginia (13,130) complete the list of the 10 highest states with completed foreclosures in this same time span.

CoreLogic also analyzed foreclosures in metro areas. The five highest areas with completed foreclosures – again over the past 12 months – were Atlanta (24,309), Chicago (20,347), Tampa -St. Petersburg (15,754), Phoenix (14,821) and Orlando (12,062).

Additionally, 63 percent of Georgia's foreclosures were in the Atlanta-Sandy Springs-Marietta Metropolitan Statistical Area (MSA). Similarly in Arizona, 62 percent of the state's foreclosures were in the Phoenix-Mesa-Glendale MSA.

> Concentrated foreclosures and delinquencies still evident

Delinquencies, mortgages that are 90 days or more in arrears, show an even broader effect. The national average of seriously delinquent mortgages stands at 5.2 percent. Yet 13 states have delinquencies above that of the national average. The states with the highest percentages of delinquencies are: Florida (11.9 percent), New Jersey (10.6 percent), Nevada (8.1 percent), New York (7.9 percent) and Maryland (7.2 percent).

Similarly, the same metro areas that exceeded the national average for a percentage of seriously delinquent mortgages were the same as those with the highest number of completed foreclosures – but with one disturbing addition. Citywide in Cincinnati, one of every 729 homes is in foreclosure. Yet in two zip codes, foreclosure rates are doubled that of the city: 45240 (one of every 304) and 45231 (one of every 334).

In other words, financial recovery from the housing crisis is uneven nationwide. Many metro areas remain troubled by foreclosures, falling property values and delinquencies. These ills, in turn, fiscally handicap municipal governments from helping residents when they are most in need of assistance. As municipal tax collections dwindle, so does the financial capability of local governments.

Although historically homeownership has been a reliable method for families to build wealth, the risky and high-cost subprime lending that operated absent of regulation is the central reason why many communities still suffer with housing woes. Key regulations that take effect in January 2014 are intended to prevent the return of no-documentation loans while ensuring the ability to repay mortgages.

In the meantime, consumers with mortgage lending or servicing problems can receive assistance from the Consume Financial Protection Bureau. Online access to mortgage complaint forms is available at www.consumerfinance.gov.

In higher education discussions, many have said, "Leave no child behind". When it comes to housing, "No family should be left behind" either.

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Poor Whites are Blaming the Wrong People

Trans Africa

Bill Fletcher Jr.

I read a very sad article in the Washington Post on Oct. 29. It concerned the base of the Tea Party movement, and specifically focused on some economically distressed Whites living in Georgia. They, like many other residents of Tea Party-controlled Congressional districts, are suffering under the weight of an economy that will not get fully in gear. Who do they blame? Obama. Who do they support? Congressional representatives who wanted to close down government.

It was striking in reading this piece, and later reading something on the polarization of wealth on this planet, that these economically precarious Whites have concluded that Obama, particularly through the Affordable Healthcare Act, somehow is worsening the economy for them.

> To jump from their economic problems to supporting the very same people who are destroying their lives can only be understood through the prism of race

If the residents of these districts were angry about the polarization of wealth; if they were angry that Obama has not done enough; if they were angry that corporate America was using them as a doormat, I could understand that. But to jump from their economic problems to supporting the very same people who are destroying their lives can only be understood through the prism of race.

The one thing that you will not get out of me is a defense of President Obama on much of the economy or on foreign policy. But I believe in speaking the truth, and specifically being clear on the real source of our problems. Those White residents may not be aware that the living standard for the average working person has been declining since the mid1970s. They may not be aware that the Republican Party that calls upon them every election season has advanced economic policies that push them further into debt and poverty than ever before. They may not be aware that the global economy is shifting, and shifting against working people. They may also be only slightly aware that the financial powerhouses will do all that they can to sway Democratic and Republican politicians in order to protect their pots of gold.

Yet it is easier to see in the Black president the representative of all that they hate and fear. It is easier to see in the Black president the threat to their future since he represents the unknown. It is easier to see in the Black president the easiest target in order to explain why their lives are so miserable. And it is easier to target a Black president than to come to grips with a very simple fact: the rich White elite does not give a cuss about their sorry rear ends…just so long as they keep voting Republican every election season.

Bill Fletcher, Jr. is a Senior Scholar with the Institute for Policy Studies, the immediate past president of TransAfrica Forum, and the author of "They're Bankrupting Us" – And Twenty Other Myths about Unions.